<u>IN THE CLAIMS</u>:

Please cancel Claims 1-24, without prejudice or disclaimer of subject matter. Please add Claims 25-35. The following is a complete listing of the claims, and replaces all earlier versions and listings of the claims in the present application.

Claims 1-24 (canceled)

Claim 25 (new): An image processing apparatus comprising:

a) a signal inputter, arranged to input an image signal of a frame;

b) a detector, arranged to detect an image change by comparing the inputted image signal with a reference image signal; and

c) a storage unit, arranged to update the reference image signal by storing the inputted image signal as the reference image signal on a frame basis when said detector detects an image change, and not to update the reference image signal when said detector detects that there is not an image change.

Claim 26 (new): An apparatus according to claim 25, further comprising an outputter, arranged to externally output the image signal in units of frames, in accordance with an output from said detector.

Claim 27 (new): An apparatus according to claim 26, wherein said outputter outputs the image signal to an external unit via a communication path.

Claim 28 (new): An apparatus according to claim 25, wherein said detector calculates a pixel value difference between each pair of corresponding pixels using the image signal and the reference image signal, and, if a sum total of pixel value differences in an entire frame is larger than a predetermined threshold value, determines that a frame change has occurred.

Claim 29 (new): An apparatus according to claim 25, wherein said detector calculates a pixel value difference between each pair of corresponding pixels using the image signal and the reference image signal, determines, if a corresponding pixel value difference is larger than a first threshold value, that a pixel change has occurred, and determines, if a number of pixels having undergone changes in an entire frame is larger than a second threshold value, that a frame change has occurred.

Claim 30 (new): An apparatus according to claim 25, wherein said detector divides the image signal and the reference image signal into a plurality of blocks, calculates a sum total of pixel value differences between corresponding pixels using the image signal and the reference image signal in units of blocks, determines, if the sum total is larger than a first threshold value, that a corresponding block has undergone a change, and determines, if a number of blocks having undergone changes in an entire frame is larger than a second threshold value, that a frame change has occurred.

Claim 31 (new): An apparatus according to claim 25, wherein said detector

divides the image signal and the reference image signal into a plurality of blocks, calculates a pixel value difference between each pair of pixels corresponding to the image signal and the reference image signal, determines, if each pixel value difference is larger than a first threshold value and a corresponding pixel which has undergone changes in a block is larger than a second threshold value, that the block of the corresponding pixel has undergone a change, and determines, if a number of blocks having undergone changes in an entire frame is larger than a third threshold value, that a frame change has occurred.

Claim 32 (new): An apparatus according to claim 25, wherein said detector forms a differential image signal by performing differential processing on the image signal, and detects a frame change based on the differential image signal.

Claim 33 (new): An apparatus according to claim 25, wherein said image processing apparatus is applied to a video conference system.

Claim 34 (new): An apparatus according to claim 25, wherein said image processing apparatus is applied to a monitoring system.

Claim 35 (new): An image processing method comprising:

a) an input step of inputting an image signal of a frame;

b) a detection step of detecting an image change by comparing the inputted image signal with a reference image signal; and

c) a storage step of updating the reference image signal in accordance with a detection result in said detection step, wherein said storage step includes storing the inputted image signal as the reference image signal on a frame basis when said detection step detects an image change, and does not store the inputted image signal as the reference image signal when said detection step detects that there is not an image change.